

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF ELAM) CASE NO. 8178-R
UTILITY COMPANY)

O R D E R

On September 21, 1981, the Commission issued its Order in Case No. 8178 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On November 7, 1983, Elam Utility Company ("Elam") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective September 1, 1983, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) On July 29, 1983, and September 27, 1983, Transmission filed applications with the Federal Energy Regulatory Commission for decreased rates to become effective September 1, 1983. On August 4, 1983, in Case No.8178-P, and October 10, 1983, in Case No. 8178-Q, Elam requested permission to track Transmission's

decreases. By Orders issued September 2, 1983, and October 25, 1983, the Commission approved Elam's filings effective September 1, 1983. Subsequent to Elam placing these rates into effect, Transmission filed revised tariffs on October 27, 1983, to be effective September 1, 1983.

(2) Elam's notice of November 7, 1983, set out certain revisions in rates which Elam proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$5,840, or 13 cents per Mcf.

(3) Due to the retroactive nature of Transmission's decrease, Elam should report to the Commission any excess revenues collected during the period from September 1, 1983, to the date the proposed rates are implemented, along with a plan to refund any excess collections.

(4) Elam's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8178 dated September 21, 1981, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after September 1, 1983.

IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after September 1, 1983.

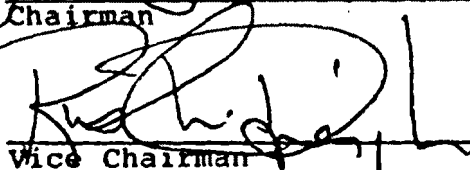
IT IS FURTHER ORDERED that within 30 days of the date of this Order Elam shall report to the Commission any excess revenues collected during the period from September 1, 1983, to the date the proposed rates are implemented, along with a plan to refund any excess collections.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Elam shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 22nd day of November, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 8178-R DATED NOVEMBER 22, 1983

The following rates and charges are prescribed for the customers served by Elam Utility Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

RATES: Monthly

RESIDENTIAL

Customer Charge	\$ 4.00
First 11 Mcf	7.42 per Mcf
Over 11 Mcf	8.42 per Mcf

COMMERCIAL

Customer Charge	\$ 5.00
All Mcf	7.42 per Mcf

The base rates for the future application of the purchased gas adjustment clause of Elam Utility Company shall be:

	<u>Demand</u>	<u>Commodity</u>
Columbia Gas Transmission Corporation	-	\$4.9650 per Mcf
Capitol Oil and Gas	-	3.95 per Mcf